

News Release



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Contact: Gloria Della
Phone: (202) 693-8664

Labor Department Obtains Judgment Restoring \$435,876 in Assets To Puerto Rican Union Health and Welfare Plan

ATLANTA—The Union Independiente de Empleados Telefonicos, Puerto Rico, agreed to pay \$435,867 in restitution to the Fidelcomiso Para La Administracion Del Fondo De Benficencia De La Union Independiente De Empleados Telefonicos according to a consent judgment obtained by the Labor Department. The department sued the union and six plan trustees on Dec. 4, 2004, for misusing the plan's assets to benefit the union. The federal district court in Puerto Rico ordered the union to restore the money to the plan and dismissed the charges against the trustees.

"We are very pleased to have succeeded in getting these assets restored to the workers' benefit plan," said Secretary of Labor Elaine L. Chao. "Plan managers had better be on notice that this Administration is committed to protecting the benefits promised to America's workers and last year we achieved record monetary results totaling \$3.1 billion for retirement, 401(k), health and other programs."

The plan was maintained under a collective bargaining agreement with the union for workers employed in the telephone industry in Puerto Rico. It provided health, accident insurance, scholarships, unemployment assistance, training and other welfare benefits to 2,800 participants and had \$423,678 in assets as of Dec. 31, 2002.

The Atlanta regional office of the Employee Benefits Security Administration (EBSA) investigated the case. Employers and workers can contact the district regional office at (404) 562-2156 or EBSA's toll-free number, **1-866-444-EBSA (3272)**, for help with problems relating to private-sector pension and health plans.

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Chao v. Union Independiente de Empleados Telefonicos
Civil Action No. 04-CV-02338 (SEC)

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